

THE ASSEMBLY STATE OF NEW YORK ALBANY

N. NICK PERRY
Assemblyman 58^{1M} District
Kings County

July 14, 2004

Michael K. Powell Chairman, Federal Communications Commission Federal Communications Commission 445 12th Street NW Washington, D.C. 20554

Re: MB Docket No. 04-207

CHAIR Majority Program Committee CHAIR Subcommittee on Community Colleges COMMITTEES Banks Labor Energy Insurance Transportation Higher Education Ways and Means MEMBER Task Force on New Americans Subcommittee on Transportation Safety

Dear Chairman Powell:

I represent Brooklyn's 58th District in the New York State Assembly. Many of my constituents, including a large number of African-Americans and Afro-Caribbean, enjoy the diverse programming and perspectives offered on cable television. For too long, African-Americans, Hispanics and other minorities had little opportunity to see programming that reflects their cultures and life experiences. Cable television is making significant inroads in addressing this need by offering more and more ethnic, foreign language, and specialty channels.

Recent efforts in Congress to impose an "a la carte" regime on the cable industry would put a halt to the further growth and development of minority-oriented, niche program networks. Under an "a la carte" system, cable customers would pay separately for each channel instead of receiving packages of services. Rather than providing more choice and lower cost, this approach would only harm consumers by diminishing the number of diverse voices on cable. Most cable networks rely on advertising for a significant portion of their revenue: the more subscribers, the higher the revenue. In an "a la carte" environment, however, channels that appeal to specialized audiences would have trouble attracting enough subscribers to be profitable and, as revenues decline, the cost to subscribe increases, and many would eventually go out of business.

By bundling new networks with existing popular networks, as is done today, viewers have the chance to sample the programming and the network has the chance to build an audience and become successful. It is highly unlikely that minority-oriented, niche program networks could survive in an "a la carte" environment with a reduced subscriber base.

I, therefore, urge you to reject the "a la carte" system that is being advocated by some proponents in Washington. "A la carte" regulation would mark a major set back in the gains in minority programming achieved to date and would stem the growing tide toward increased diversity on cable in the future.

Member of Assembly

NNP:nb